

DEPARTMENT OF FINANCE BILL ANALYSIS

AMENDMENT DATE: April 9, 2008
POSITION: Oppose
SPONSOR: Vandalia Water District

BILL NUMBER: SB 1276
AUTHOR: R. Ashburn

BILL SUMMARY: Vandalia Water District

This bill would: (1) establish the Vandalia Water District and dissolve the Vandalia Irrigation District, and (2) authorize the transfer of the irrigation district's preexisting powers, duties, responsibilities, obligations, liabilities, and jurisdictions to the Vandalia Water District.

FISCAL SUMMARY

This bill could create a reimbursable state mandate by requiring the Vandalia Irrigation District to reorganize as a California water district. Under Section 6 of Article XIII B of the California Constitution, any costs to a unit of local government which result from legislation specifically requested by the affected local entity are not reimbursable by the state. In addition, subdivision (a) of Section 17556 of the Government Code provides that the Commission on State Mandates shall not find a reimbursable mandate in such legislation. The author's office notes that this measure is in response to a request from the only affected local entity. We have attempted to obtain a copy of this request. Without evidence of the specific request, any additional costs incurred by the local entity as a result of this bill could result in a determination of a reimbursable state mandate. The potential costs are unknown.

COMMENTS

Department of Finance is opposed to this bill because it could impose a reimbursable state mandate by requiring the Irrigation District to reorganize as a water district.

The intent of the bill is to enhance the pool of qualified voters eligible to serve on the Board of Directors by reorganizing the Irrigation District as a water district which would be subject to different voting requirements. Without this bill, the Irrigation District would have to apply to the Local Agency Formation Commission to reorganize as a water district. Currently, the District absorbs the costs; however, this bill could shift the costs from the District to the state.

Code/Department Agency or Revenue Type	SO	(Fiscal Impact by Fiscal Year)							
	LA	(Dollars in Thousands)							
	CO	PROP							Fund
	RV	98	FC	2008-2009	FC	2009-2010	FC	2010-2011	Code
8885/Comm St Mndt	LA	No	----- See Fiscal Summary -----						0001

Analyst/Principal (0960) C. Castaneda	Date	Program Budget Manager Diana Ducay	Date
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Department Deputy Director	Date
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Governor's Office:	By:	Date:	Position Approved _____
			Position Disapproved _____

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